



NORTH CAROLINA GENERAL ASSEMBLY

Session 2019

Fiscal Analysis Memorandum

CONFIDENTIAL

Requestor: Representatives Howard, Setzer, and Szoka
Analyst(s): Brian Slivka
RE: PCS to House Bill 607 (Second Edition)

SUMMARY TABLE

FISCAL IMPACT OF PCS to H.B. 607, V.2 (\$ in thousands)

	<u>FY 2019-20</u>	<u>FY 2020-21</u>	<u>FY 2021-22</u>	<u>FY 2022-23</u>	<u>FY 2023-24</u>
North Carolina Board of Massage and Bodywork Therapy Impact					
Board Revenue	274.9	277.4	279.2	282.4	285.2
Less Expenditures	-	-	-	-	-
Board Impact	274.9	277.4	279.2	282.4	285.2

FISCAL IMPACT SUMMARY

The Proposed Committee Substitute to House Bill 607 (Second Edition) would change the membership of the North Carolina Board of Massage and Bodywork Therapy from seven members to five members.

The bill contains a number of fee increases, including the application for licensure, initial license, license renewal, and late renewal fees.

FISCAL ANALYSIS

The PCS to House Bill 607 (Second Edition) would increase a number of the individual licensee fees the North Carolina Board of Massage and Bodywork Therapy can currently impose. The list of fee increases is located below.



North Carolina Board of Massage and Bodywork Therapy Fee Changes		
	Current Fee Cap	Proposed Fee Cap
Application for license	\$20.00	\$30.00
Initial license fee	\$150.00	\$200.00
License renewal	\$100.00	\$150.00
Late renewal penalty	\$75.00	\$100.00

The Board provided fee collection data for the past two fiscal years. That data was used in preparing an estimated impact of the proposed fee increases. If the North Carolina Board of Massage and Bodywork Therapy would set those to the maximum amounts allowed under this bill, the Board would collect upwards of \$274,000 in additional fee revenue in FY 2019-20. That breakdown is illustrated below.

North Carolina Board of Massage and Bodywork Therapy Fee Changes		
	Average FY 2016-18 Collections	FY 2019-20 Estimated Collections*
Application for license	\$31,630	\$47,445
Initial license fee	\$137,200	\$182,933
License renewal	\$389,200	\$583,800
Late renewal penalty	\$56,250	\$75,000
Total collections	\$614,280	\$889,178
Estimated increase in FY 2019-20 collections		\$274,898

** FY 2019-20 Estimated Collections assumes fees are increased to the proposed caps.*

According to the North Carolina Board of Massage and Bodywork Therapy, their net income for FY 2017-18 was -\$135,446, while FY 2016-17 was \$15,772.

For purposes of the fiscal impact forecast, United States level industry employment growth from the health care and social assistance service sector was applied.

TECHNICAL CONSIDERATIONS

N/A.

DATA SOURCES

North Carolina Board of Massage and Bodywork Therapy, Moody's Analytics

FISCAL ANALYSIS MEMORANDUM – PURPOSE AND LIMITATIONS



This document is a fiscal analysis of a bill, draft bill, amendment, committee substitute, or conference committee report that is confidential under Chapter 120 of the General Statutes. The estimates in this analysis are based on the data, assumptions, and methodology described in the Fiscal Analysis section of this document. This document only addresses sections of the bill that have projected direct fiscal impacts on State or local governments and does not address sections that have no projected fiscal impacts. This document is not an official fiscal note. If a formal fiscal note is requested, please email your request to the Fiscal Research Division at FiscalNoteRequests@ncleg.net or call (919) 733-4910.

